



**STATE OF WASHINGTON**  
**DEPARTMENT OF LICENSING**  
***PO Box 9021, Olympia, Washington 98507-9021***  
**REAL ESTATE COMMISSION MEETING**  
**AGENDA**

**DATE:** December 6, 2016

**PLACE:** Double Tree Hotel  
18740 International Blvd.  
Seattle, WA 98188

**PERSON:** Jerry McDonald, Administrator  
(360) 664-6525  
Email: [jmcdonald@dol.wa.gov](mailto:jmcdonald@dol.wa.gov)

**ORDER OF AGENDA: OPEN SESSION**

**CALL TO ORDER:** Kathleen Drew Assistant Director/Chair 9:00 a.m.

- A. Attendance: Commissioners Present: Dave Azose, Cate Moyer, Jess Salazar, Jeff Thompson, Kyoko Wright, Commissioners Excused: George Pilant  
  
Staff Present: Terry Rodgers, Colin Pippin-Timco, Bill Dutra, Stacy Harms
- B. Approval of Agenda – The agenda was approved as presented.
- C. Approval of Minutes – the minutes were approved as presented.
- D. WCRER Report – The report from the Washington Center for Real Estate Research was presented by Terry Rodgers. The new Director will begin January 1, 2017. Cate Moyer asked about the budget for WCRER. Terry responded that we have enough in the account to continue funding this project thru the next biennium, however if things continue the way they have (funds swept by the legislature) we may not be able to sustain that level of commitment.
- E. Audit Presentation – Investigator Manager Bill Dutra gave the presentation. Bill presented a detailed description of the audit process. He stated the department has 9 auditor positions, but only 6 auditors at the present time and we are in the process of looking for candidates. He answered questions from the commissioners.
- F. Update on Advertising Guidelines – Cate Moyer reported that her committee, discussed the Advertising Guidelines used by British Columbia. Terry Rodgers shared with commissioners the advertising guideline pamphlet distributed by the Real Estate Association in Alberta Canada. Commissioner Moyer asked the department to guidelines for Washington based upon Alberta's. Terry Rodgers reported the department will very likely enlist the services of a professional writer to produce a Washington version which will be printed and posted on real estate's web site.

- G. Education Update – Colin Pippin-Timco reported on the results of a survey he developed. The comments he received from the survey supported an alignment of the courses to the content outline of the real estate exam. This will provide applicants with a clearer link of the minimum competencies of the profession to job survey/analysis. Several educators present in the audience agreed that the curriculum does not cover important competencies managing brokers need to know.
- H. Budget Report – The report covers the Real Estate Research account, Real Estate Education account and the Real Estate Commission account. The Real Estate Research Fund may have funding issues in the future due to the legislature sweeping half a million dollars. It was suggested that it might be used to create some educational videos to post to the web. Kathleen requested the development of a 6 year revenue projection and analysis to be presented at the next meeting. She suggested we might get help from the agency forecast team. It was mentioned that the Realtors project the market may drop off in the next year. Kathleen suggested collecting data on the number of agents doing one or less transactions a year. Cate Moye raised the question of how “teams” are impacting the numbers. It was noted that offices seem to be getting smaller. Cate Moye recommended everyone read the danger report, on the future of the real estate industry. The report can be found on the National Association of Realtors website. The Real Estate Commission Fund (our operating budget) has been swept the past four years, the last one, half a million dollars, so the fund balance is worrisome, especially when we are looking at replacing our operating system. We have an annual allotted budget of 11.5 million dollars and a fund balance of 3.6 million.
- I. Previous Action Items
- a. States that require license number on advertising – Terry Rodgers reported that Jerry McDonald reached out to other states and as yet has not found any states that require license numbers on advertising. It is a federal law that license numbers are on purchase and sale agreements.
  - b. Feedback on funding Challenge w/WCER – This item was addressed earlier under item “H”.
- J. Update on Solar – Julie Japhet, business and technology manager and Jay Minkler gave a presentation on Solar, our new online renewal project. The old interface for brokers was shut down on November 2, 2016 and we went live with “Solar” Real Estate renewals are scheduled to go live in January. Tech help is available including videos are being created to walk people through the new process. Almost 4000 brokers have already entered their information into the system which will eventually have ability to transfer and eventually print licenses. There was much discussion about the future ability to transfer licenses.
- K. Open Forum/Other Business
- a. Jeff Thompson reported on information he learned at the last ARELLO conference including processes and regulations used in real estate programs in other states, some of which were of great interest to the commissioners, especially requirements for designated broker classes.
  - b. Bob Mitchel reported the Realtors Association will be part of a work group with the AGs office regarding actions against a property management companies who deny application due to a criminal background checks. He also mentioned future legislation to ensure real estate agents are classified as independent agents.

- L. Review of Action Item – Real Estate program was requested to create a six-year-out revenue forecast.
- M. Adjourn (approximately 11:20 am)

**We are committed to providing equal access to our services. For more information, visit [dol.wa.gov/access](http://dol.wa.gov/access). (TDD/TTY call 711)**

DRAFT